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Briefing Paper for Regional Administrator – December 2013
ALLIED PAPER/PORTAGE CREEK/KALAMAZOO RIVER SUPERFUND SITE
Kalamazoo, Michigan

SITE SUMMARY:

- The Allied Paper/Portage Creek/Kalamazoo River Superfund site was listed on the National Priorities List in August 1990 and consists of four disposal areas, five former paper mill properties, approximately 77 miles of the Kalamazoo River from Morrow Lake dam to Lake Michigan, and a three-mile stretch of Portage Creek, all contaminated with polychlorinated biphenyls (PCBs). The Allied Paper Landfill is located in Kalamazoo, Michigan, while the entire site spans Calhoun, Kalamazoo, and Allegan Counties in Michigan.
- The site is contaminated with PCBs primarily from former paper mills which recycled carbonless copy waste paper that contained PCBs. The wastewater was discharged to the Kalamazoo River, and other processed residuals were placed into on-site lagoons or into disposal areas which later became known as the landfill operable units (OUs).

CURRENT STATUS:

ALLIED PAPER LANDFILL (OU 1):

- During the summer of 2013, EPA led four different tours of the Allied Paper Landfill for interested stakeholder groups such as local officials and neighborhood groups.
- EPA will release the feasibility study (FS) for the Allied Paper Landfill by January 2014. The FS evaluates protective cleanup alternatives ranging from consolidation and capping ($41M) to complete removal ($189M). EPA will hold public availability sessions in February and March 2014 to discuss the potential cleanup alternatives. EPA does not yet know when it will issue a proposed cleanup plan for public comment, but such a plan could be issued as early as spring 2014.
- The City of Kalamazoo and most citizen groups insist that complete removal of the waste is the only acceptable alternative, citing threats to the city drinking water and the hazards posed by a landfill adjacent to residential areas. Studies show that groundwater at the landfill is not impacting the city well field.

KALAMAZOO RIVER (OU 5):

- The Kalamazoo River is divided into seven areas each separated by dams. Remedial investigation and feasibility study (RI/FS) work is being conducted from upstream to downstream, with concurrent activities underway in four river areas. The FS is being finalized for Area 1, the 21-mile segment from Morrow Dam to the former Plainwell Dam, and evaluates potential cleanup options for contamination that was not addressed by prior removal actions. Investigation work is ongoing in downstream Areas 2, 3, and 4.
- In July 2011, EPA issued an Action Memorandum for a time-critical removal action along a 1.8-mile stretch of Portage Creek located in Area 1. The removal work began in September 2011 and was completed in November 2013, and 23,700 cubic yards of contaminated soil and sediment were removed.

OTHER LANDFILLS (OU2, OU3 and OU4):

- Consolidation and capping remedies with groundwater monitoring have been selected for these three landfills. The remedies have been successfully implemented at OU3 and OU4, and the construction work at OU2 will be completed in spring 2014.

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PAPER MILL PROPERTIES:

- The former Plainwell Paper Mill is located in the City of Plainwell, Michigan. EPA is working with the PRPs and the City of Plainwell to clean up this 34-acre mill property for future use by the City. EPA is currently reviewing the FS and anticipates selecting a remedy in spring 2015. No other mill properties have active work ongoing.

BACKGROUND:

- Primary risks associated with the site are from human consumption of PCB-contaminated fish due to erosion and runoff of PCB-contaminated soil and sediment in Portage Creek and the Kalamazoo River.
- Six former hydroelectric dams are located on the river within the site boundaries. In the 1970s, the State of Michigan partially dismantled its three dams (Plainwell, Otsego, and Otsego City). This dropped the river water level and the contaminated sediment that was once under water became exposed. EPA and MDEQ currently estimate that there are approximately 113,000 lbs of PCBs in the river sediment and floodplain soil.
- EPA conducted a time-critical removal action in 1998-1999 at the former Bryant Mill Pond (a former impounded section of Portage Creek adjacent to the Allied Paper Landfill) and consolidated the soils and sediments in the main body of the landfill. The removal action addressed one of the largest sources of PCBs to the creek and river.
- In 2007, EPA signed an administrative order on consent (AOC) with Georgia-Pacific, Millennium Holdings, and MDEQ to implement a time-critical removal action in the Plainwell dam area of the river. Work began in March 2007 and was completed in June 2009, and 130,000 cubic yards of contaminated sediment and soil were removed.
- In 2007, EPA signed another AOC with Georgia-Pacific and Millennium Holdings to conduct a Supplemental RI/FS for all seven areas of OU5. Each area requires a separate RI/FS and remedy decision.
- In June 2009, Georgia-Pacific and EPA entered into an AOC to conduct a time-critical removal action in the Plainwell dam #2 area of the river. Work began in August 2009 and was completed in December 2010, and 18,000 cubic yards of soil and debris were removed.
- In 2009, Lyondell, the parent company of Millennium Holdings (the largest PRP for the site), filed for bankruptcy. The United States entered into a bankruptcy settlement agreement with Lyondell whereby approximately $50M was deposited into a Custodial Trust Response Cost Account for environmental actions for the Allied Paper Landfill property, and another $50M was placed in a site-wide special account. This amount was significantly less than the court-approved claim of more than $900 million. The funds in the Custodial Trust Response Cost Account, if not spent, can be transferred to the site-wide special account for use elsewhere at the site.
- Cleanup costs for the entire site could reach $1 billion. Although other PRPs exist, site-wide cleanup costs will likely far exceed their available resources. EPA continues to move forward with cleanup and evaluate creative solutions to solve the environmental problems at this site.